

Important Announcement

This annual report includes information of extra importance to "A" and "B" shareholders:

PLEASE READ CAREFULLY THE SECTION OF THE DIRECTORS' REPORT DIRECTED TO "A" AND "B" SHAREHOLDERS.



ALL-CAN HOLDINGS LTD.

annual report
1973



AVAILABLE
PRESENTATION
ALL MEDIA



ALL-CAN HOLDINGS LTD.

*Incorporated as a Public Company Under the Laws of the
Province of British Columbia*

Officers and Directors

LESLIE A. ALLEN
*President and
Chief Executive Officer*
Toronto, Ontario

A. T. R. CAMPBELL, Q.C.
Director
Partner, Davis & Company
Barristers & Solicitors
Vancouver, B.C.

PROF. JAMES A. BEVERIDGE
Director
Professor
Motion Pictures, School of Fine Arts
York University
Toronto, Ontario

JAMES A. COWAN
Director
Public Relations Counsel
Toronto, Ontario

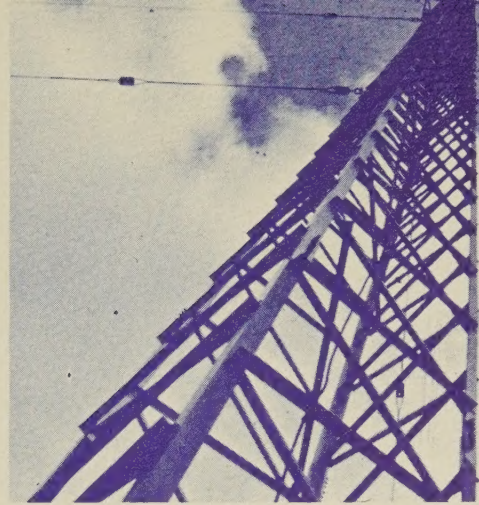
HARRY J. ALLEN, JR.
Secretary and Director
Toronto, Ontario

Solicitors
Davis & Co.
Vancouver, B.C.

Auditors
Cachia, Aldred & Co.
Toronto, Ontario

Registrar and Transfer Agents
Guaranty Trust Company of Canada
540 Burrard Street
Vancouver, B.C.

Class A shares and Class B shares are listed on
the Vancouver Stock Exchange, B.C., Canada.



DIRECTORS' REPORT

To the shareholders:

Submitted herewith is the consolidated financial statements of your company for the fiscal year-end August 31, 1973. Your company continued, through its subsidiaries, being actively engaged in film distribution and in broadcasting.

The growth of the company's business, in the entertainment industry, matched the growth of the Canadian economy. The company continued in the normal course of business to build its film library. It now controls exclusive rights in all media, for all the Charlie Chaplin motion pictures made by Chaplin, including THE KID and THE IDLE CLASS, plus other merchantable additional films from all over the world.

Your company has an application for a new Belleville, Ontario AM radio station before the government regulatory agencies and continues on the outlook for other such opportunities in the broadcast field.

This year, over former years, CHIC Radio AM and FM revenue made a more significant contribution of profit to your company. This profit will be further augmented by the increase in power for both AM and FM CHIC operations. CHIC Radio Limited has been advised that the technical problems that have hitherto delayed power increase for its AM operation, have been overcome. It is anticipated that the report for the next fiscal period of your company will include revenue derived from these radio stations with increased power.

In preparation for an increase in power, your company's radio stations have added sales and production staff.

The company in its last fiscal year gained creditable results gauged by the number of employees (37) and by the total salaries paid to the employees (fiscal year-end 1972 \$125,000.00 — 1973 \$145,000.00).

During the last fiscal year, the company made a private placement of 100,000 Class "B" treasury shares for \$260,000.00. The company's expansion has taken place largely through utilization of income. Your President has had discussions with major Canadian underwriters. However, the present environment with oil shortages, inflation, and uncertain financial market conditions makes appropriate timing for an underwriting essential.

The company has confidence its above average rate of growth will continue centering in the broadcast industry, which promises good growth with income and profit stability. The directors would like to remind our shareholders that CHIC Radio AM and FM are part of the most lucrative broadcast market in North America. Your directors are confident that there will be continued real growth in the Canadian economy when the present economic indirection subsides, with consequent benefits flowing to All-Can Holdings Ltd.

IMPORTANT ANNOUNCEMENT

The directors bring to the **PARTICULAR ATTENTION OF THE "A" SHAREHOLDERS**, the material appearing at the end of the information circular accompanying the notice of meeting and under the heading "Particulars of other matters to be acted upon", where will be seen two groups of rather lengthy resolutions lettered A and B. The group A resolutions deal with changes to the company shares and in particular, change the special rights attached to the Class "A" shares so that they are the same as Class "B" shares.

The reason for the proposed change referred to herein, is that the directors have had discussions with the Toronto Stock Exchange with a view to listing the "A" and "B" shares on that exchange, in addition to the present listing on the Vancouver Stock Exchange. The Toronto Stock Exchange advises that there are insufficient "A" shares to be approved for listing and, as there are no additional "A" shares available, the only way that they can have the benefits of listing, is to change them to "B" shares. To accomplish this change, the special rights attached to both "A" and "B" shares must be equal.

The directors of your company deem it will be to your advantage to have your shares listed on the Toronto Stock Exchange. They urge you therefore, to complete the enclosed form of proxy and return it immediately in the envelope provided. Unless at least 75% of the "A" shares approve these resolutions, the "A" shares cannot be listed on the Toronto Stock Exchange.

The so-called designated group B resolutions are "housekeeping" resolutions necessary to bring the company's memorandum and articles in line with the new Companies Act of British Columbia, which came into force October 1, 1973.

The directors bring to the **PARTICULAR ATTENTION OF THE "B" SHAREHOLDERS** the fact that your company wishes to list both the Class "A" and "B" shares on the Toronto Stock Exchange in addition to the present listing on the Vancouver Stock Exchange. As we pointed out in the previous paragraph directed to the particular attention of the "A" shareholders, the Toronto Stock Exchange have advised that there are insufficient Class "A" shares to be listed. Accordingly, your directors have decided to change, as stated above, the Class "A" shares to the Class "B" shares in order that both shares can be listed on the Toronto Stock Exchange. To do this, the approval of the "B" shareholders is necessary as there are special rights attached to the "A" shares which must be changed to the same as those attached to the "B" shares and the "B" shareholders must consent to this change.

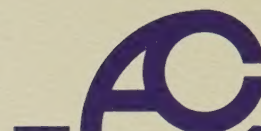
Your directors point out that the "A" shares presently have a preferential dividend to the "B" shares and by consenting to these resolutions, your shares will become equal to the "A's". The directors therefore, believe it is to your advantage to approve these resolutions and urge you to complete the form of proxy enclosed herewith and return it immediately in the envelope provided. Unless at least 75% of the "B" shares consent, the proposed change cannot be made.

On behalf of the Board of Directors,

Yours sincerely,

Leslie A. Allen,
President.

November 29, 1973.



and subsidi

(Incorporated as a Public Company under

CONSOLIDATED

ASSETS

	August 31	
	1973	1972
Current		
Cash	\$ 132,499	\$ 65,074
Accounts receivable	1,209,684	1,006,449
Films — at cost of acquisition less amortization — note 2	1,742,412	1,920,958
Deferred expenses	19,421	19,540
Advances to subsidiaries	852,766	—
Total Current Assets	3,956,782	3,012,021
Deferred		
Deferred expenses	19,100	13,125
Deferred portion of accounts receivable	8,987	1,147
Advances to other corporations	—	1,954
Advances to associated corporations	2,533	—
	30,620	16,226
Investments in Subsidiaries	5	—
Fixed — at cost		
Land	49,832	49,832
Buildings and equipment	390,876	389,374
	440,708	439,206
Less — accumulated depreciation	160,567	143,489
	280,141	295,717
Other		
Incorporation and organization expenses — at cost	26,212	26,212
Radio licences — nominal value	2	2
Copyrights — at cost	8,708	8,708
Excess of cost of shares of subsidiary company over book value at acquisition	466,514	466,514
	501,436	501,436

Approved on behalf of the Board:

"James Beveridge", Director

"J. A. Cowan", Director

\$4,768,984 \$3,825,400

AUDITORS' REPORT

The Shareholders,
All-Can Holdings Ltd.

We have examined the Consolidated Balance Sheet of All-Can Holdings Ltd. and its subsidiaries as at August 31, 1973 and the Consolidated Statements of Operations, Retained Earnings and Source and Application of Funds for the year then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion, these Consolidated Financial Statements, when read in conjunction with the notes appended thereto, present fairly the financial position of the Companies as at August 31, 1973 and the results of their operation and the source and application of their funds for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Toronto, Ontario,
November 12, 1973.

CACHIA, ALDRED & CO.,
Chartered Accountants.

ALL-CAN HOLDINGS LTD.

Companies

(In accordance with the laws of the Province of British Columbia)

FINANCIAL STATEMENT

LIABILITIES

	August 31	
	1973	1972
Current		
Bank advances — secured	\$ 513,999	\$ 513,298
Accounts payable and accrued liabilities	156,375	133,882
Notes payable	—	18,316
Advances from other corporations	62,126	26,000
Deferred income	12,993	62,408
Advances by directors	3,398	66,219
Income taxes payable	787,967	255,428
Current portion of long-term debt	151,189	208,647
Total Current Liabilities	1,688,047	1,284,198
Long-term — less current portion included above		
Deferred income	15,277	4,660
Long-term debt — note 3	1,046,296	1,187,237
	1,061,573	1,191,897
Deferred taxes on income — note 4	190,105	288,129

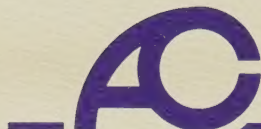
SHAREHOLDERS' EQUITY

Capital Stock		
Authorized		
Class A — 250,000 voting, participating shares, no par value		
Class B — 4,000,000 non-voting, participating shares, no par value		
Class C — 1,040,000 voting, non participating shares, no par value		
Issued and Fully Paid		
Class A — 250,000 shares	375,000	375,000
Class B — 610,000 shares	392,500	132,500
Class C — 1,040,000 shares (in escrow)	130,000	130,000
	897,500	637,500
Retained earnings — see statement	931,759	423,676
Total Shareholders' Equity	1,829,259	1,061,176
	\$4,768,984	\$3,825,400

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF RETAINED EARNINGS

	Year Ended August 31	
	1973	1972
Balance — beginning of year	\$ 423,676	\$ 140,182
Add excess of taxes provided over taxes assessed from prior years	20,369	—
Net profit for the year	487,714	283,494
Balance — end of year	\$ 931,759	\$ 423,676



ALL-CAN HOLDINGS LTD.

and subsidiary companies

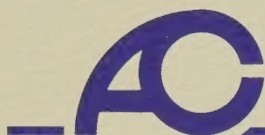
(Incorporated as a Public Company under the laws of the Province of British Columbia)

CONSOLIDATED STATEMENT OF OPERATIONS

	Year Ended August 31	
	1973	1972
Income	\$1,625,986	\$1,192,818
Expenses excluding depreciation and amortization of film costs	469,838	376,724
Operating profit (before depreciation and amortization of film costs)	1,156,148	816,094
Depreciation	17,079	23,213
Amortization of film costs	181,427	157,884
	198,506	181,097
Net profit before taxes	957,642	634,997
Provision for income taxes		
Current	567,952	243,771
Deferred	(98,024)	107,732
	469,928	351,503
Net profit for the year	\$ 487,714	\$ 283,494
Net earnings per participating share	56.7¢	37.3¢

CONSOLIDATED STATEMENT OF SOURCE AND APPLICATION OF FUNDS

	Year Ended August 31	
	1973	1972
Source of Funds		
Operations		
Net income for the year	\$ 487,714	\$ 283,494
Add — items not requiring an outlay of funds		
Depreciation	17,079	23,213
Deferred income taxes	(98,024)	107,732
	(80,945)	130,945
	406,769	414,439
Issue of class B shares	260,000	—
Adjustment of prior year's overprovision of income taxes	20,369	—
Reduction of long-term assets	—	70,457
Total Source of Funds	687,138	484,896
Application of Funds		
Purchase of fixed assets	1,502	3,103
Radio licence	—	1
Reduction in long-term debt	130,324	335,424
Investments in unconsolidated subsidiaries	5	—
Increase in long-term assets	14,395	—
Total Application of Funds	146,226	338,528
Increase in working capital	540,912	146,368
Working capital — beginning of year	1,727,823	1,581,455
Working capital — end of year	\$2,268,735	\$1,727,823



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 1973

1. Basis of Consolidation

The consolidated financial statements include the accounts of the company's wholly-owned subsidiaries, CHIC Radio Limited and All-World Cinema Limited. Green Ink Limited with a year end of December 31 and Belleville Media Limited with a year end of April 30 are not consolidated and their year ends do not coincide with that of the parent company, because these wholly-owned subsidiaries have not yet commenced operations.

2. Films

All unamortized costs of the film rights are classified as current assets in accordance with industry practice. Film rights are purchased for various terms and amortized over the period of anticipated revenue.

3. Long Term Debt

Mortgages payable — secured by land and buildings

7% due 1978 — \$6,600

9% due 1974 — \$9,500

Notes payable

\$100,000 due December 31, 1974 with interest at 8% per annum and \$100,000 due annually December 31, 1975-1977, without interest.

Other long term debt

1975, \$11,111; 1976, \$566,666; 1977, \$11,111 and 1978, \$11,111.

Advances by directors — \$30,197.

4. Deferred Taxes on Income

For tax purposes, subsidiary companies have claimed full capital cost allowances, resulting in the deferment of taxes, which are charged against income and set aside on the balance sheet as deferred taxes on income.

5. Contingent Liabilities

15% of certain films revenue over and above a sum equivalent to about 65% of the cost of such film rights is payable to a third party.

6. Capital Stock

During the year, 100,000 Class B shares of All-Can Holdings Ltd. were issued for \$260,000 cash. Pursuant to terms of an investment letter, shares will be held for twelve months from date of issue in July, 1973.

7. Statutory Information

Remuneration paid or payable to directors or senior officers of the company and its wholly-owned subsidiaries for the year ended August 31, 1973 totalled \$44,177 (1972 — \$34,226).

8. Subsequent Events

A subsidiary, Media All-Can Inc. was incorporated November 2, 1973.



ALL-CAN HOLDINGS LIMITED

and subsidiaries:



ALL-WORLD CINEMA LIMITED

every



*This is CHIC heartland...
are YOU listening?*

790-AM-RADIO 1021-FM

GREEN INK LIMITED

MEDIA ALL-CAN INC.

BELLEVILLE MEDIA LIMITED

“
Harry J. Allen Jr.,
and Leslie A. Allen, offi-
cers of the above companies,
are carrying into the 70's, in Canada
and throughout the world, the enter-
tainment tradition synonymous
with the Allen name
since 1906.”



ALL-CAN HOLDINGS LTD.

Incorporated as a Public Company under the
laws of the Province of British Columbia

**Interim Consolidated Unaudited Statement
of Source and Application of Funds
For the six months ended February 28, 1973**

	Six Months Ended	
	Feb. 28 1973	Feb. 29 1972
	(restated)	
Source of Funds		
Operations		
Net earnings for period .. \$	198,259	\$ 96,151
Add: Charges not requiring outlay of funds		
Depreciation	11,270	11,296
Provision for deferred income taxes	21,000	49,739
	<u>230,529</u>	<u>157,186</u>
Advances from directors ...	—	782
Advances from other cor- porations	204,053	12,862
Reduction in deferred ex- penses — other	—	6,331
Decrease in deferred ac- counts receivable	7,875	27,540
	<u>442,457</u>	<u>204,701</u>
Application of Funds		
Purchase of fixed assets ...	367	1,108
Reduction of long-term debt	115,514	211,956
Decrease in deferred income	3,513	—
	<u>119,394</u>	<u>213,064</u>
Increase (Decrease) in Working Capital	323,063	(8,363)
Working Capital, beginning of period	1,806,041	1,588,149
Working Capital, end of period	<u>\$2,129,104</u>	<u>\$1,579,786</u>

*Con
Cup*

**Interim
Report
1973**



ALL-CAN HOLDINGS LTD.



ALL-CAN HOLDINGS LTD.

Incorporated as a Public Company Under the Laws of the
Province of British Columbia

Registered Office: 14th Floor,
1030 West Georgia Street,
Vancouver, B.C.

Officers and Directors

LESLIE A. ALLEN
*Chairman of the Board
and President*
Toronto, Ontario

A. T. R. CAMPBELL, Q.C.
Director
Partner, Davis & Company
Barristers & Solicitors
Vancouver, B.C.

PROF. JAMES A. BEVERIDGE
Director
Professor
Motion Pictures, School of Fine Arts
York University
Toronto, Ontario

JAMES A. COWAN
Director
Public Relations Counsel
Toronto, Ontario

SIDNEY E. R. WYNNE
Director
International Film and Advertising Consultant
London, England

HARRY J. ALLEN, JR.
Secretary and Director
Toronto, Ontario

Solicitors
Davis & Co.
Vancouver, B.C.

Auditors
Cachia, Aldred & Co.
Toronto, Ontario

Registrar and Transfer Agents
Guaranty Trust Company of Canada
540 Burrard Street
Vancouver, B.C.

Class A shares and Class B shares are listed on
the Vancouver Stock Exchange, B.C., Canada.



ALL-CAN HOLDINGS LTD.

Incorporated as a Public Company under the
laws of the Province of British Columbia

Interim Consolidated Unaudited Statement of Operations and Retained Earnings For the six months ended February 28, 1973

	Six Months Ended	
	Feb. 28 1973	Feb. 29 1972 (restated)
Income	\$740,609	\$303,907
Expenses — excluding deprecia- tion and other charges	212,186	102,506
Other charges (note)	—	44,215
	<u>212,186</u>	<u>146,721</u>
Operating Profit before deprecia- tion and income taxes	528,423	157,186
Depreciation	91,164	11,296
Earnings before income taxes ...	437,259	145,890
Provision for income taxes		
current	218,000	—
deferred	21,000	49,739
	<u>239,000</u>	<u>49,739</u>
Net Earnings for the period after income taxes	198,259	96,151
Retained Earnings , beginning of period	435,675	140,182
Retained Earnings , end of period	<u>\$633,934</u>	<u>\$236,333</u>
Earnings per participating share	<u>26.1¢</u>	<u>12.7¢</u>

NOTE

Other Charges

These are costs incurred in connection with application to
government regulatory body for increased AM power.